

**MINUTES OF REGULAR MEETING
OF BOARD OF DIRECTORS OF LOCKWOOD
WATER AND SEWER DISTRICT**

May 13, 2026

Call to Order:

The regular monthly meeting of the Lockwood Water and Sewer Board of Directors was held on May 13, 2026. Board President Carl Peters called the meeting to order at 7:00 p.m. in the Lockwood Water and Sewer District Office, 1644 Old Hardin Road, Billings, Montana 59101.

Introductions:

Present at the meeting were Board Members Carl Peters, Carlotta Hecker, Brent Kober, Scot Bowen, and Gary Forrester. LWSD Manager Mike Ariztia, Assistant Manager Tony Reed, Engineers Jill Cook and Tyler Parker of Morrison-Maierle, Inc, and Evelyn Pyburn, *Yellowstone County News* also were present. Tyler Parker, Engineer, Morrison-Maierle, introduced himself as involved with the Phase 3 Mid-Zone Project.

Public Comment:

1. **Any member of the public may be heard on any subject that is not on the agenda.**

There were no public comments.

Approval of Minutes:

2. **April 8, 2026**

The minutes of the April 8, 2026 Board meeting were presented for approval. No corrections were noted

- I. Brent Kober moved to approve the April 8, 2026 minutes as written. Carlotta Hecker seconded the motion. Motion carried.

New Business:

3. **Approval of Pay Application No. 6 to Askin Construction, for the Phase 3 Sewer Project.**

Askin Construction presented Pay Application No. 6 for work performed 3/28/26 through 5/1/26 in the amount of \$588,674.98; \$544,262.48 Sewer, \$44,412.50 Water, minus State tax withheld, \$5,886.75; amount due Askin Construction, \$582,788.43.

II. Gary Forrester moved to approve Pay Application No. 6 from Askin Construction for the Phase 3 Sewer Project in the amount of \$588,674.98; Sewer, \$544,262.48, Water, \$44,412.50; less State tax withheld, \$5,886.75; amount due Askin Construction \$582,788.43. Brent Kober seconded the motion. Motion carried.

4. Approval of Pay Application No. 4 to Western Municipal Construction for the Mid-Zone Water Storage Tank.

Western Municipal Construction presented Pay Application No. 4 in the amount of \$309,947.49 for work performed from 4/1/26 through 4/30/26. State tax withheld, \$3,099.47; amount due Western Municipal Construction \$306,848.01.

III. Gary Forrester moved to approve Western Municipal Construction's Pay Application No. 4 in the amount of \$309,947.49; less state tax in the amount of \$3,099.47; amount due Western Municipal Construction \$306,848.01. Scot Bowen seconded the motion. Motion carried.

5. Discussion regarding additional Phase 3 Sewer Compaction testing.

Morrison-Maierle presented a letter dated May 11, 2026 outlining a recommendation of additional compaction testing for the Phase 3 Sewer Subdistrict Project and Lockwood District Water Improvements Project.

Jill Cook of Morrison-Maierle advised they had conducted a work session with Manager Ariztia and Board members Gary Forrester and Carl Peters, to determine the frequency, necessity, and size of additional compaction testing,

The discussion resulted in a recommendation from Morrison-Maierle that testing frequency be 1 test / 18-inch depth / 200 linear feet for the remainder of the project. This level of testing is considered necessary, and represents an increase of 8.5 times the testing frequency required for the Phase 2 Sewer Subdistrict Project.

In addition to the increase testing frequency, the Phase 3 Sewer Subdistrict and Lockwood Subdivision Water Improvements Project include proactive steps and mitigating factors that further reduce the risk of future settlement compared to Phase 2. These additional measures and factors include:

- Few open channel irrigation laterals near the sewer and water installations.
- Sewer and Water crossings of the Lockwood Irrigation District canals will be by boring or pushing pipe under the canals, and most canal crossings occur at culverts.
- Fewer areas of stormwater ponding.
- All bedding is wrapped in non-woven geotextile separation fabric to prevent movement of fine material into the bedding rock to reduce the risk of settlement due to movement of

fine material. All asphalt trench restoration includes woven geotextile stabilization fabric under the street section at the sewer and water trenches to further enhance the integrity of the road section.

MMI letter dated May 11, 2026 with compaction recommendations attached to Minutes.

6. Approval of Change Order No. 1 to the Phase 3 Sewer Project

Change Order No. 1 to the Lockwood Water and Sewer Phase 3 Sewer Subdistrict and Lockwood Subdivision Water Improvements was presented for approval. The contract between Lockwood Water and Sewer District and Askin Construction, LLC is modified as follows:

“This change order adds additional compaction testing for all mainline trenches for the duration of this project. The testing frequency going forward will be 1 test / 18” of mainline trench depth / 200 LF. Approximately 85%-90% of the tests are to be taken from 0’-5’ and 10%-15% of the tests are to be taken deeper than 5’. This change is specific to the testing frequency only and does not change compaction methodology requirements as defined in the specifications (the trench backfill is still to be placed in 8-inch compacted lifts).”

Increase of price in this Change Order: \$232,391.00.

IV. Scot Bowen moved to recommend approval of Change Order No. 1 to the Phase 3 Sewer Project. Change Order No. 1 adds additional quality control compaction testing to the project which was not included in the original project specifications. The additional compaction testing in the amount of \$232,391.00 will add an additional 2,277 tests to the project. Additional testing is a proactive measure to verify trench compactions standards and aid in the reduction of future settlements. Change Order No. 1 exceeds Montana Public Works requirements and provides 8.5 times more tests than occurred in the Phase No. 2 Sewer Project. Brent Kober seconded the motion. Motion carried.

7. Phase 3 Sewer Project Update

Manager Ariztia reported that Askin Construction is presently running two crews. Askin has completed the sewer main on Wasco, the Wapato alleyway, and are working their way down Tillamack towards Old Hardin Road. The second crew replaced the manhole at the intersection of Old Hardin Road and Wade Street, gone up Wade Street and are moving down Driftwood towards Palamino. Another crew was working on bores under the crossings that went under the irrigation ditch, to reduce the possibility of leakage in the future and the required amount of additional permitting through the Army Corps of Engineers.

Tyler Parker reported within a month Askin is going to have one of the crews working in Ballantine come back and start on the water. They are going to phase that so that the water and sewer is wrapping up about the same time.

Manager Ariztia reported they are going to finish the sewer down Old Hardin Road. That crew will then return to the other side on Tillamack and continue working. The water crew will then start working up Old Hardin Road.

8. Mid-Zone Tank Update

The tank manufacturer started building their forms for the tank walls and working on the base of the tank. They are planning on starting to stand walls next week. The tank manufacturer felt they would be done building the tank by mid-July. Manager Ariztia's opinion was it could be finished by early fall.

Financial Reports

9. The monthly balance sheets were discussed by the Board along with any questions they had on invoices, P&L Budget Comparisons, and the Yellowstone County Trial Balance Summary.

10. Approval of Bills due for Signature

- V. Scot Bowen moved to pay the bills due for signature. Brent Kober seconded the motion. Motion carried.

Other Business: None.

Manager's Report:

13. Pumping Record

Water	April, 2025	29,560,524	April, 2026	24,514,365
Wastewater	March, 2025	4,873,000	March, 2026	4,992,000
Par MT Wastewater	March, 2025	69,502,000	March, 2026	66,843,500

Miscellaneous Reports:

Manager Ariztia reported that Par MT had extended an invitation to the Board to take a tour of their facilities wherein they could answer any questions the Board has regarding why there is diversity in the fluctuating amounts paid to LWSD for waste discharge.

Issues developed with one of the pumps at the river, in that it was not pumping at the flow rate necessary. The pump was pulled and the check valve was found to be worn out. The pump was replaced. All of LWSD pumps in the river are fully operational, and the auxiliary pump was put into intake 2. All three of the lift pumps at the lift station have been pulled, rebuilt and replaced. The semi-annual pre-sed cleanout was done before runoff.

Last week tank divers came in and went to three of the water storage facilities and did a

video inspection and cleaned filter sediment off the bottom of the tank. Videos were provided of the inspections.

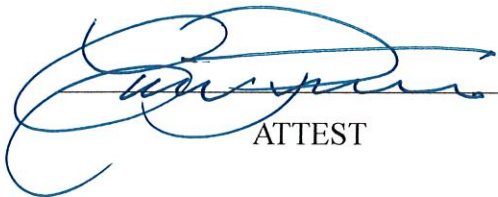
New security cameras are being installed at the plant. The old security cameras are very old and beyond their usefulness. The first installation will be the main treatment plant building. At the next budget cycle, after July 1, 2026, new cameras will be installed in the pre-sed building.

The Lockwood TEDD is attempting to move forward. Developers are anxious to get development on their properties, and they may have to phase-in facilities due to the cost.

Adjournment:

- VI. Carlotta Hecker moved to adjourn. Brent Kober Hecker seconded the motion.
Motion carried.

There being no further business to come before the Board, the meeting was adjourned at 8:00 p.m.



ATTEST



ATTEST